

**TOWN OF LOS GATOS
ANNUAL STATUS REPORT ON RECEIPT AND USE OF DEVELOPMENT IMPACT FEES
JUNE 30, 2020**

Traffic Impact Mitigation Fee:

The Traffic Impact Mitigation Fee assures that each new development or expansion of use pays its fair share of the transportation improvements needed to accommodate the cumulative traffic impacts. The fee, \$958 per new average daily trip generated, is paid in full to the Town Building Department prior to issuance of the building permit for new development or expansion of use. The collected fee is held in the Traffic Mitigation Fee Fund. The Traffic Mitigation Fund should be used solely to fund transportation improvement projects related to mitigating the impacts of new development. The funds cannot be used for routine repair or maintenance.

TRAFFIC IMPACT MITIGATION FEES FUND

Beginning Cash Balance (07/01/2019)	\$2,555,306
Source of Funds	
Fees Collected FY 19/20	133,741
Interest Earned FY 19/20	44,013
Total Source of Funds	\$2,733,060
Use of Funds	
Capital Outlay:	
Traffic Signal Modernization	\$75,858
Bicycle & Pedestrian Improvements	378
Highway 17 Bicycle & Pedestrian Bridge-Design	54
Traffic Mitigation (Admin Support)	16,336
Total Use of Funds	\$92,626
Expenses Occurred in FY 2018/19 , Paid in July of FY 2019/20	4,219
Expenses Occurred in FY 2019/20, Paid in July of FY 2020/21	2,864
Ending Cash Balance (6/30/2020) Pre-Final Audit	\$2,639,079
Designated Future Projects:	
Per FY 20/21 through 24/25 Capital Improvement Plan:	
Traffic Signal Modernization	\$1,004,837
Bicycle & Pedestrian Improvements	33,650
Highway 17/9 Interchange and Capacity Improvements	600,000
Highway 17 Bicycle & Pedestrian Bridge-Design	146,951
Total CIP and Operating Budget Commitments	\$1,638,487
Potential Project List (Estimates Only) per Unfunded List (Additional Unfunded Projects are Located in the Operating Budget)	
Blossom Hill Road Bicycle and Pedestrian Overcrossing (Future Project - Pending Funding)	\$1,000,000
Winchester Boulevard Complete Streets Project	750,000
Los Gatos Blvd Widening , New Sidewalks, and Bike Lanes (Future Project - Pending Funding)	2,000,000
Total Potential Project List	\$3,750,000
Total Designated and Unfunded Projects	5,388,487
Current Funding Shortfall	(\$2,749,407)

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Construction Impact Activity Fee:

Construction Impact Activity Fee is assessed on construction projects based on the square foot size of the project at a rate of \$1.17 per square foot. These fees are intended to recover the damage caused to Town streets by construction traffic. The collected fee is held in the General Fund Appropriated Reserves.

CONSTRUCTION IMPACT ACTIVITY FEE

Beginning Cash Balance (07/01/2019)	\$0
Source of Funds	
Fees Collected FY 19/20	407,340
Interest Earned FY 19/20 (Funds expended upon receipt)	-
Total Source of Funds	\$407,340
Use of Funds	
Business Services Charge	
Capital Outlay:	
Street Repair and Resurfacing Project FY 19/20	2,105,756
Total Use of Funds	2,105,756
Ending Cash Balance (6/30/2020) Pre-Final Audit	(\$1,698,416)
Designated Future Projects	
Per FY 20/21 through FY 24/25 Capital Improvement Plan:	
Street Repair and Resurfacing Project	\$15,615,769
Total Designated Future Projects	\$15,615,769
Current Funding Shortfall	(\$17,314,185)

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Below-Market Priced (BMP) Housing Program In-Lieu Fee:

BMP In-Lieu Fees are collected from residential development projects with five (5) or more units when the construction of the BMP unit is impractical or there are unusual circumstances that make the construction of the unit inconsistent with Town policy. The required in-lieu fee is to be paid to the Town prior to issuance of the certificate of occupancy. The BMP In-Lieu Fee is equal to the amount of six (6) percent of the building permit valuation for the entire project. The collected fees are held in the General Fund BMP Housing liability account and are restricted to be used solely for BMP Housing Program activities.

BELOW-MARKET PRICED HOUSING PROGRAM IN-LIEU FEES

Beginning Cash Balance (07/01/2019)	\$3,767,910
Source of Funds	
Fees Collected FY 19/20	110,175.96
Interest Earned FY 19/20	70,333
Total Source of Funds	\$3,948,418
Use of Funds	
Program Operating Expense	\$129,611
Staff Administration	23,000
Total Use of Funds	\$152,611
Ending Cash Balance (6/30/2020) Pre-Final Audit	
	\$3,795,807
Designated Future Projects:	
Affordable Housing Loans - Dittos Lane (11/3/2020 Council Meeting)	\$1,200,000
Total Designated Future Projects	\$1,200,000
Potential Future Projects	
Low and Moderate Income Housing (Future Project - Pending Funding)	\$3,000,000
Reacquisition of Distressed/Foreclosed Properties (Future Project - Pending Funding)	700,000
Hello House Program Services (Future Project - Pending Funding -5 Year Total)	600,000
Total Potential Future Projects	\$4,300,000
Current Funding Shortfall	(\$1,704,193)

Other Required Disclosures:

As required by law, no inter-fund (loans/transfers) were made during the reporting period and no refund were necessary as all fees collected have a current funding short fall status as presented in the Annual Status Report.